**Statement**

*The Names of other Foreign Banks Operating in India*

| Sl. No. | Name of the Bank |
|---|---|
| (1) | (2) |
| 1. | ABN Amro Bank |
| 2. | ABU Dhabi Commercial Bank Ltd. |
| 3. | American Express Bank |
| 4. | ANZ Grindlays Bank |
| 5. | Arab Bangladesh Bank |
| 6. | British Bank of the Middle East |
| 7. | Bank of Tokyo—Mitsubhishi Ltd. |
| 8. | Banque Nationale De Paris |
| 9. | Bank of Ceylon |
| 10. | Barclays Bank |
| 11. | Bank International Indonesia |
| 12. | Banque Indosuez |
| 13. | Bank of Nova Scotia |
| 14. | Bank of Baharain and Kuwait |
| 15. | Citi Bank |
| 16. | Credit Lyonnais |
| 17. | Chase Manhattan Bank |
| 18. | Commerz Bank |
| 19. | China Trust Commerical Bank |
| 20. | Cho Hung Bank |
| 21. | Deutsche Bank |
| 22. | Development Bank of Singapore |
| 23. | Dresdner Bank |
| 24. | Fuji Bank |
| 25. | Hongkong Bank |
| 26. | ING Bank |
| 27. | Oman International Bank |
| 28. | Mashreq Bank |
| 29. | Sakura Bank |
| 30. | Sanwa Bank |
| 31. | Siam Commercial Bank |
| 32. | Societe Generale |
| 33. | Sonali Bank |
| 34. | Standard Chartered Bank |
| 35. | State Bank of Mauritius |

**Items earmarked for investments under Liberalised Scheme.**

*896. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE be pleased to state:

(a) the items earmarked for investments under the liberalised scheme;

(b) how much investment, item-wise, has been thereupto March, 1996;

(c) whether any concrete study has been done to evaluate the extent of advantage accruing to the poorer sections of the society as a result of the liberalised economy; and

(d) if so, the exact findings thereof in terms of check on rising prices, generation of employment in rural areas, easy availability of consumer basic goods and extension of facilities in the social sectors, like health and education?

THE MINISTER OF FINANCE AND THE MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) Direct Foreign Investment up to 51% foreign equity in 35 High priority industries, specified in Annexure III to the Statement of Industrial Policy in 1991, is permitted under an automatic approval route of the Reserve Bank of India. In all other foreign investment proposals, where the parameters for automatic approval are not met, prior approval of the Government is necessary.

(b) Information on foreign investment inflows, industry-wise, is given in the attached Statement (*See* below).

(c) and (d) The strategy for accelerating growth and strengthening anti-poverty programmes have been pursued during the period of economic reforms by the promotion of broad based employment generating growth, enhanced plan outlays for poverty alleviation and social sectors such as health and education, and the building of social safety nets to cushion the possible

adverse effects of reforms on vulnerable sections during the stage of transition. The impact of economic reforms on various sectors is regularly monitored as an input for review of the economic reforms programmes.

The impact of economic reforms on prices as reflected by the annual inflation rate since 1990-91 is shown below:

Annual inflation rate (Point-to-point)

| Year | Inflation (per cent) |
|---|---|
| 1990-91 | 12.1 |
| 1991-92 | 13.6 |
| 1992-93 | 7.0 |
| 1993-94 | 10.8 |
| 1994-95 | 10.4 |
| 1995-96 | 4.4 |

Despite stringent resource constraints, the Government has raised substantially the Central Plan allocations for social sectors and poverty alleviation programmes in the last three budgets. The budget allocation for Education has been increased by 92 per cent over the past three years, with the outlay for Elementary Education going up by 129 per cent and that for Adult Education increasing by 95 per cent. The allocation for health was hiked by 122 per cent. The Central Plan outlay for Rural Development, which encompasses the major programmes for poverty alleviation and employment generation, has been raised by 148 per cent. over the past three years to a level of Rs. 7700 crore in 1995-96(BE).

**Statement**

*Automatic Approvals Industry-wise Classification—Inflows form 1 Sept. 91 to 31 March. 1996*

| Sl. No. | Industry | Investment Recd. (Rs.) |
|---|---|---|
| 1. | Agricultural Machry | 136,31,42,120 |
| 2. | Automobile Tyre Tube | 5,91,57,052 |
| 3. | Boiler & Steam Plant | 4,41,00,000 |
| 4. | Cement Products | 12,50,00,000 |
| 5. | Ceramics | 9,65,23,280 |
| 6. | Chemicals | 297,79,77,368 |
| 7. | Computer Software | 22,92,32,939 |
| 8. | Drugs & Pharma | 36,82,96,740 |
| 9. | Earth Moving Machry | 89,71,033, |
| 10. | Electrical Equipment | 359,00,09,762 |
| 11. | Extr. & Upgd. of Oil | 38,34,29,970 |
| 12. | Food Processing | 116,79,89,135 |
| 13. | High Tech, Repro Equp | 2,51,55,000 |
| 14. | Hotel & Tourism | 25,94,48,707 |
| 15. | Hybrid & Synth Seeds | 18,28,69,480 |
| 16. | Industrial Instumnt | 26,40,92,089 |
| 17. | Industrial Machinery | 69,82,15,884 |
| 18. | Machine Tools | 5,92,01,816 |
| 19. | Metallurgical Indust | 67,53,19,557 |
| 20. | Packing for Food Inds | 94,05,194 |
| 21. | Paper & Pulp Product | 19,87,48,512 |
| 22. | Plate Glass | 25,54,618 |
| 23. | Prefabricted Bldg Mat | 3,37,000 |

| Sl. No. | Industry | Investment Recd. (Rs.) |
|---|---|---|
| 24. | Preten. Hi-Pres. Pipes | 15,29,123 |
| 25. | Prime Movers | 46,12,08,250 |
| 26. | Rubber Machinery | 1,24,90,000 |
| 27. | Scien & Elec Lab EQP | 5,76,70,629 |
| 28. | Trading for Exports | 32,25,58,939 |
| 29. | Transportation | 115,40,23,366 |
| 30. | Welding Electrodes | 2,59,07,200 |
| | TOTAL | 1482,42,64,763 |

**Statement**

*A/FIPB Approvals*
*Industry-wise Inflows from 1 Jul. 91 to 31 Mar. 96*

| Sl. No. | Industry | No. of cases | Inflows (Rs.) |
|---|---|---|---|
| 1. | Abrasives/Grinding wheel | 5 | 8,33,21,000 |
| 2. | Air Conditioners | 7 | 8,51,23,110 |
| 3. | Aluminium Industry | 5 | 28,80,51,630 |
| 4. | Aquaculture | 35 | 34,53,52,790 |
| 5. | Auto Ancillaries | 63 | 115,74,58,651 |
| 6. | Automobile | 20 | 450,94,51,865 |
| 7. | Banks | 2 | 92,82,55,000 |
| 8. | Bearings | 11 | 42,55,36,650 |
| 9. | Breweries | 6 | 20,52,09,748 |
| 10. | Cables | 4 | 3,96,11,900 |
| 11. | Carbon Black | 3 | 5,56,91,800 |
| 12. | Castings | 6 | 8,13,67,195 |
| 13. | Caustic Soda | 1 | 2,95,000 |
| 14. | Cement | 13 | 94,50,68,330 |
| 15. | Ceramics | 19 | 17,44,17,310 |
| 16. | Chemicals—Inorganic | 42 | 68,94,48,470 |
| 17. | Chemicals—Organic | 98 | 212,49,86,728 |
| 18. | Cigarettes | 6 | 7,60,49,280 |
| 19. | Compressors | 2 | 4,53,00,000 |
| 20. | Computer Accessories | 5 | 2,33,64,000 |
| 21. | Computer Hardware | 19 | 63,87,07,050 |
| 22. | Computer Software | 144 | 171,76,61,720 |
| 23. | Construction | 17 | 7,37,94,740 |
| 24. | Contraceptives | 2 | 6,24,85,000 |
| 25. | Decoratives | 1 | 1,00,00,000 |
| 26. | Detergents | 9 | 328,11,13,700 |
| 27. | Diamond | 27 | 13,16,20,030 |

| Sl. No. | Industry | No. of cases | Inflows (Rs.) |
|---|---|---|---|
| 28. | Distilleries | 5 | 15,39,95,030 |
| 29. | Domestic Appliances | 14 | 391,25,49,825 |
| 30. | Dry Cells | 4 | 14,87,47,840 |
| 31. | Dyes & Pigments | 5 | 6,04,77,230 |
| 32. | Electric Equipment | 74 | 346,13,21,885 |
| 33. | Electrodes | 4 | 14,93,61,800 |
| 34. | Electronics | 104 | 229,25,31,247 |
| 35. | Engineering | 236 | 322,11,28,243 |
| 36. | Engines | 4 | 11,96,95,000 |
| 37. | Fasteners | 7 | 13,48,08,000 |
| 38. | Ferro Alloys | 3 | 45,57,49,000 |
| 39. | Fertilisers | 7 | 36,75,46,610 |
| 40. | Finance | 117 | 1362,18,52,790 |
| 41. | Food Processing & Dairy | 118 | 553,61,83,738 |
| 42. | Footwear | 29 | 43,12,05,213 |
| 43. | Forgings | 2 | 1,02,52,000 |
| 44. | Glass | 10 | 182,57,46,920 |
| 45. | Granites/Marbles | 53 | 31,73,78,110 |
| 46. | Hatcheries | 10 | 5,62,69,300 |
| 47. | Health Care | 18 | 92,84,83,460 |
| 48. | Hospitals | 4 | 37,52,56,120 |
| 49. | Hotel & Tourism | 15 | 57,72,36,300 |
| 50. | Hydraulics | 10 | 6,63,93,742 |
| 51. | Industrial Gas | 9 | 34,40,02,500 |
| 52. | Laminates | 4 | 5,00,83,250 |
| 53. | Leather Chemicals | 6 | 1,60,25,300 |
| 54. | Lubricants | 225 | 106,72,29,648 |
| 55. | Machine Tools | 17 | 10,58,19,820 |
| 56. | Medical Equipment | 15 | 11,46,82,275 |
| 57. | Metallurical Industry | 22 | 22,92,23,830 |
| 58. | Miscellaneous | 212 | 210,42,07,675 |
| 59. | Moulded Luggage | 1 | 2,09,19,000 |
| 60. | Office Equipment | 5 | 3,29,81,888 |
| 61. | Oil Drilling | 22 | 20,66,59,900 |
| 62. | Packaging | 19 | 98,06,41,505 |
| 63. | Paints & Varnishes | 7 | 9,97,35,440 |
| 64. | Paper & Paper Pulp | 12 | 179,12,25,560 |
| 65. | Petrochemicals | 8 | 105,25,58,340 |
| 66. | Pharmaceuticals | 79 | 348,02,01,760 |
| 67. | Plastics | 47 | 72,63,89,820 |
| 68. | Pollution Control | 7 | 6,43,06,230 |
| 69. | Pumps | 8 | 13,20,23,660 |
| 70. | Power Generation/Supply | 19 | 295,25,30,870 |
| 71. | Refineries | 10 | 54,68,96,100 |
| 72. | Refractories | 8 | 9,24,82,330 |
| 73. | Rubber | 21 | 18,53,82,200 |

| Sl. No. | Industry | No. of cases | Inflows (Rs.) |
|---|---|---|---|
| 74. | Shipping | 10 | 43,96,46,274 |
| 75. | Solvent Extraction | 5 | 9,77,23,580 |
| 76. | Steel | 12 | 24,52,96,890 |
| 77. | Sugar | 3 | 1,53,06,520 |
| 78. | Tea/Coffee | 17 | 32,41,91,800 |
| 79. | Telecommunications | 37 | 318,62,20,320 |
| 80. | Textile Machinery | 12 | 50,51,74,920 |
| 81. | Textiles | 177 | 386,15,78,992 |
| 82. | Trading | 37 | 355,82,15,730 |
| 83. | Transmission Line Tower | 5 | 14,72,24,120 |
| 84. | Travel Transport | 10 | 2,85,66,780 |
| 85. | Tyres | 4 | 23,06,80,000 |
| 86. | Vanaspati | 2 | 33,06,650 |
| | TOTAL | 2340 | 85,46,22,64,377 |

**Effect of Economy measures on Service Prospects of SC/ST Employees**

897. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE be pleased to states:

(a) whether it is a fact that the economy measures announced by Government will affect the service prospects of SC/ST employees; and

(b) what are the details in this regard?

THE MINISTER OF FINANCE AND THE MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b) No, Sir. The recent guidelines issued by the Government on expenditure management—fiscal prudence and austerity have no linkage with the service prospects of any specific category of employees, including SC & ST.

**Position of Monetary Growth and Money Supply**

898. SHRI SURINDER KUMAR SINGLA:
DR. SHRIKANT RAMCHANDRA JICHKAR:

Will the Minister of FINANCE be pleased to states:

(a) the position of monetary growth and the money supply position during the first four months of the current financial year;

(b) the monetary control measures existing currently which can have an effect on the expansion of money supply; and

(c) what are the salient features of the current monetary policy and what will be its expected effects?

THE MINISTER OF FINANCE AND THE MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) As per the latest data available from the Reserve Bank of India, money supply (M3) recorded a growth of 3.8 percent (Rs 22,722 crore) in the current financial year upto June 21, 1996 as against a growth of 0.9 percent (Rs. 4,661 crore) in the last financial year upto June 23, 1995.

(b) and (c) The stance of the monetary policy adopted for the first half of 1996-97 is, inter-alia, to control inflation and maintain production growth. Among important policy Changes adopted in this financial years are;

(i) reduction in average Cash Reserve Ratio (CRR) on the net domestic demand and time liabilities of scheduled commercial banks from